Technology Upgradation Fund Scheme for textiles and jute Industries

2854. PROF. M.M. AGARWAL: WiU the Minister of TEXTILES be pleased to state:

(a) whether Government has launched a Technology Upgradation Fund Scheme for textiles and jute industries functioning at present in the country since 1999-2000;

(b) if so, the details thereof; and

(c) what incentives are being granted by Government to these industries for their products?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR): (a) to (c) In order to provide impetus to the modernization of textile & jute industry, Government of India, Ministry of Textiles has launched a Technology Upgradation Fund Scheme (TUFS), which is in operation since 01-04-1999 for a period of 5 years. The IDBI, SIDBI and IFCI have been appointed as nodal agencies. They have co-opted other financial institutions/banks to provide a wider reach to the industry in the country. Loans under the scheme are extended by the nodal agencies/ co-opted institutions to the identified segments of the industry for the projects in conformity with the scheme and financial norms of the Financial Institutions concerned. The Government funding is limited to reimbursement of 5% interest charged by the financial institutions/ banks on a project of technology upgradation in conformity with the scheme.

From 1.4.1999 to 31.1.2001, a total of 1004 applications with a total project cost of Rs. 11330 crore were received. Out of them, 803 applications with the total loan amount of Rs. 4201 crore have been sanctioned and Rs. 2236 crore has been disbursed against 560 applications.